

CIARDI CIARDI & ASTIN
Albert A. Ciardi, III, Esquire
Thomas D. Bielli, Esquire
Jennifer E. Cranston, Esquire
One Commerce Square, Suite 1930
2005 Market Street
Philadelphia, PA 19103
(215) 557-3550 phone
(215) 557-3551 fax
Proposed Attorneys for the Debtor
aciardi@ciardilaw.com
tbielli@ciardilaw.com
jcranston@ciardilaw.com

**UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE:	:
	:
GELT PROPERTIES, LLC	: CHAPTER 11
	:
DEBTOR	: BANKRUPTCY NO. 11-15826
	:
IN RE:	:
	:
GELT FINANCIAL CORPORATION	: CHAPTER 11
	:
DEBTOR	: BANKRUPTCY NO. 11-15827
	:
	:

**DEBTORS' MOTION FOR AN ORDER
AUTHORIZING JOINT ADMINISTRATION**

Gelt Properties, LLC ("GP Debtor"), and Gelt Financial Corporation, ("GFC Debtor")
by and through undersigned counsel, Ciardi Ciardi & Astin, hereby submit this motion for the
entry of an order (the "Motion"), and, in support thereof, respectfully aver as follows:

JURISDICTION

1. The Court has jurisdiction over this proceeding pursuant to 28 U.S.C. §§ 157 and 1334. This is a "core" proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M), (N) and (O). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates

for the relief requested herein are §§105 and 363 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2002, 6004 and 9013.

BACKGROUND

2. On July 25, 2011 (the “Filing Date”), the GP Debtor and the GFC Debtor filed voluntary petitions for reorganization pursuant to chapter 11 of title 11 of the United States Code, as amended (the “Bankruptcy Code”). The GP Debtor and GFC Debtor are collectively referred to as the Debtors.

3. Since the Filing Date, the Debtors have remained in possession of their assets and continued management of that business as a debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

4. An official committee of unsecured creditors (the “Committee”) has not yet been appointed.

5. The GFC Debtor is a Bucks County, PA corporation specializing in commercial and residential mortgages that was founded by Jack Miller in 1989. Ari Miller, Jack’s younger brother, joined the company in 1993. With mortgage banking licenses in both PA and NJ, the GFC Debtor also does business in DE and MD. Since its inception, the GFC Debtor’s philosophy has been to educate, satisfy and service its customer base. Specifically, in the ordinary course of the Debtor’s business, it borrows money from traditional lenders and makes hard money loans to commercial borrowers. Also, as part of its business, the Debtor acquires and manages real estate in the real estate owned [REO] context, makes protective advances related to the ownership of said real estate as well as funds the maintenance, upkeep and preservation of said assets.

6. The GP Debtor is a direct lender specializing in commercial and investor mortgages and has an excellent track record and many years of experience at buying and turning

around investment real estate. It provides a combination of real estate, accounting, banking and legal experience to maximize investors' returns.

7. The Debtors conduct their business at the same location. Additionally, the Debtors have the same secured creditors, many of the same unsecured creditors and a common business purpose. Moreover, the Debtors are each wholly owned subsidiaries of Gelt Holdings, Inc.

RELIEF REQUESTED

8. Federal Rule of Bankruptcy Procedure 1015(b)(4) provides that "[i]f a joint petition or two or more petitions are pending in the same court by ... (4) a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b)(4).

9. The related Debtors maintain that if their estates are administered jointly, they would be in a better position to reorganize their financial affairs, file and confirm a feasible Plan of Reorganization and provide a distribution to the unsecured creditors of both estates.

10. The Debtors also maintain that in preparation for this Motion, they have given consideration to protecting creditors of different estates against potential conflicts of interest. However, the Debtors are confident that since the Debtors have the same secured creditors, many of the same unsecured creditors and a common business purpose, that a conflict of interest between creditors of different estates will not arise.

11. By and through this Motion, the Debtors seek a lead docket number with respect to the above captioned proceeding and the ability to file a Joint Plan of Reorganization. Therefore, the granting of the Motion, and thus the joint administration of these cases, will enhance the judicial economy with respect to the above captioned cases.

12. The Debtors submit that the Joint Administration of these cases should be maintained under the case number assigned to the Debtor, Gelt Properties, LLC, Case No. 11-15826.

WHEREFORE, the Debtors hereby respectfully request that this Court enter an Order, substantially in the form attached hereto, authorizing Joint Administration of the Debtors' bankruptcy cases pursuant to Bankruptcy Rule 1015(a).

Respectfully submitted,

Dated: July 29, 2011

CIARDI CIARDI & ASTIN

/s/ Jennifer E. Cranston

Albert A. Ciardi, III, Esquire
Thomas D. Bielli, Esquire
Jennifer E. Cranston, Esquire
One Commerce Square
2005 Market Street, Suite 1930
Philadelphia, PA 19103
(T) (215) 557-3550
(F) (215) 557-3551
aciardi@ciardilaw.com
tbielli@ciardilaw.com
jcranston@ciardilaw.com
Attorneys for the Debtor and
Debtor-in-Possession